

436J.

All policies of credit life insurance, [and] credit health, AND INVOLUNTARY UNEMPLOYMENT BENEFIT insurance shall be delivered or issued for delivery in this State only by an insurer authorized to do an insurance business therein and shall be issued only through holders of licenses or authorizations issued by the Commissioner.

436L.

When credit life insurance, [or] credit health, OR INVOLUNTARY UNEMPLOYMENT BENEFIT insurance is required as additional security for any indebtedness, the debtor, upon notice to the creditor, shall at any time during the credit transaction have the option of furnishing the required amount of insurance through existing policies of insurance owned or controlled by him or of procuring and furnishing the required coverage through any insurer authorized to transact an insurance business within this State. The creditor shall, at the time that said transaction is consummated wherein the debtor agrees to purchase credit life insurance, [or] credit health insurance, OR INVOLUNTARY UNEMPLOYMENT BENEFIT INSURANCE inform the debtor in writing of the option referred to in this section, and the debtor shall acknowledge in writing, that he has received notice of said option.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1981.

Approved May 19, 1981.

CHAPTER 611

(House Bill 395)

AN ACT concerning

Interest and Usury

FOR the purpose of requiring the inclusion of a certain statement on installment sales agreements relating to nonfiling insurance policy premiums; permitting lenders to collect certain fees for nonfiling insurance policies; and generally relating to nonfiling insurance policies.

BY repealing and reenacting, with amendments,

Article - Commercial Law
Section 12-606 and 12-609